

Washington, D.C., is a political amusement park—visual, bustling, entertaining. These days it's transitioning, from Bushland to, it is widely presumed, Hillary Adventure.

A war rages and the economy teeters, but the government is on autopilot. What Congress debates—funding for “children,” a resolution condemning Armenian genocide, a censure of Rush Limbaugh—is prelude to next year's main event, the presidential election.

Some other observations from my recent visit to the nation's capital:

Aside from its name, Reagan National Airport doesn't offer much to Republicans. The gift shops are dominated by Hillary, Obama and “Bill Clinton for First Lady” T-shirts.

An Indian summer in D.C. feels like Laguna Beach.

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Securities and Exchange Commission Chairman Chris Cox occupies the nicest office at one of the best addresses in Washington.

From his spacious suite atop the gleaming 10-story SEC Building, Cox enjoys a panoramic view that includes the looming U.S. Capitol, his old stomping grounds where laws are made in cramped quarters.

Cox appreciates the irony of a former congressional penny pincher enjoying high-rent government digs.

“That is the benefit of moving into an office designed by your predecessor,” he quipped, referring to Bill Donaldson, who was a high-powered Wall Street executive before he ran the SEC.

The gig has other benefits, too. As a congressman, Cox said his schedule was subject to others' time and issues. At the SEC, "the chairman sets the commission schedule."

The SEC under Cox has grappled with hedge fund abuses, stock options backdating and the continued implementation of Sarbanes-Oxley, the post-Enron reforms.

As one of four members of the president's Working Group on Financial Markets, Cox advises George W. Bush on the mortgage meltdown and other investment-related issues. (The other members of the group are Federal Reserve Board Chairman Ben Bernanke, Treasury Secretary Henry Paulson and Walter Lukken, acting chairman of the U.S. Commodity Futures Trading Commission.)

But in Washington, Cox said, even the head of the SEC does not always measure up to a U.S. representative:

"I saw the president more when I was a member of the congressional leadership, because we had meetings at the White House regularly. Now the meetings are more likely to be one-on-one, but they are less frequent."

Cox peaked as a policy intellectual after the Republican takeover of the House in 1994. He wrote the only law enacted over a Bill Clinton veto, which clamped down on frivolous lawsuits filed against companies when their stock prices fall; he authored the bill prohibiting most taxation on the Internet; and he took some of the bite out of the estate tax.

But as Cox left Capitol Hill in 2005 his party was sliding into scandal. Now the Republicans are again in the minority, Bush is a lame duck and Cox struggles to advance initiatives.

His pet SEC project remains the Extensible Business Reporting Language, or XBRL, a plan to transform the current static financial filings into interactive, investor-friendly data. Cox expressed frustration with the slow pace of voluntary implementation and the reluctance of businesses to

embrace superior technology that he said is demonstrably inexpensive to adopt:

“Whatever the SEC says doesn’t go into the part of the business brain that says, ‘Here’s how we earn a profit.’”

Cox intimated that a long chapter of his life is coming to an end. He said he is “likely to leave” the SEC when his term as chairman expires in spring of 2009 and return to the private sector.

“I have less idea what I will do next than at any time since college, and I’m enjoying the freedom to daydream about it,” Cox said. “I probably will try something new, rather than returning to something I’ve already done.”

Another stint in public service is at least “a decade or so” away, if ever.

What Cox would do could range from nonprofit to for-profit, and from California to the East. Before entering politics more than 20 years ago, Cox was a top corporate finance lawyer in the Orange County office of Latham & Watkins.

He would clearly enjoy an OC homecoming. He pointed out his willingness to shoulder the carrying costs of his seldom-visited home in Newport Beach’s Harbor View.

His mastery of Washington and his Wall Street interface, however, also make Cox well-suited to remain in the East. Cox said he is happy living in Alexandria, Va., with wife Rebecca Gernhardt, a Continental Airlines executive, and their three kids.

One insight to where his true loyalties lie: He remains a diehard Angels fan.

And he remains a quick wit as he dismissed rumors that have him leaving the SEC to become a

caretaker at the Department of Homeland Security or another agency.

Cox grinned at the suggestion that he is one of the few Bush nominees who would be “palatable” to Senate Democrats:

“Palatable’ means they’d like to eat me.”

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**John Campbell, Cox’s replacement in Congress, is maintaining OC’s reputation for fiscal conservatism. The whippy ex-car dealer has been campaigning against earmarks and pork-barrel spending, prodding House members to take a stand on measures with little chance of passage in a gridlocked Congress. His efforts have irked some leaders of both parties, which only seems to keep him energized:**

**“We (Republicans) need to learn the lesson of the last election.”**

**Campbell is an upscale version of Jimmy Stewart’s Mr. Smith—earnest, proud of his district (I found him wearing his red USC tie, a ritual on the Monday following a Trojan victory) and awed by the historic surroundings.**

**He not only arranges Capitol tours for visiting constituents, he often goes along, acting as a second guide. He pointed delightedly to a name etched by a workman long ago on a stairway window—Chambers Campbell, no relation.**

**And he took me to the statue of California abolitionist Thomas Starr King—see it in the Capitol while you can. Thanks partly to Campbell, King’s statue is being replaced with one of Ronald Reagan.**

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Way at the other end of the National Mall, in an ornate, museum-like building next door to the heavily fortified State Department, former University of California, Irvine, chancellor Ralph Cicerone runs the National Academy of Sciences. ("Call him 'Doctor,'" advised his assistant, Ella Garcia. "We only have one president in this town.")

For a man who helped pioneer the field of climate change and drives a Prius, Cicerone couldn't be better situated. The academy is sought out by federal officials when they shape science policy, and global warming is the issue of the times.

Cicerone is also keeping his OC loyalties.

In August he and wife Carol, a former UC Irvine prof who volunteers at the academy, left a meeting in Massachusetts early so they could watch the Anteaters' Ollie Linton play in a Cape Cod League baseball game. "He stole five bases that night in Orleans," Cicerone said. "We drove back at midnight, 55 miles in fog."

Cicerone declined to get into the controversy over UCI's hiring of Erwin Chemerinsky as dean of its new law school. Of the law school itself he said, "Many people have worked toward this goal for years and helped us. With their commitment and Donald Bren's support, UCI can do it and I will be as happy as anyone."

Cicerone nodded when asked if he thinks he has brought a "Western sensibility" to Foggy Bottom.

"It's amazing how seldom anyone here refers to California, in Washington or on Capitol Hill ... Some places are not even on the map. We have a big country. We need to be aware of that."

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I also caught up with two of my former (and favorite) Business Journal reporters and their wives—Roger Yu, now covering business travel for USA Today, and Connie; and Nidal Ibrahim, refocusing on his Arab-American Business magazine after a year as executive director of the Arab American Institute, and Ghada.

The center of attention were the recent additions—buddies Salim Ibrahim, age 18 months, and Ethan Yu, age 13 months.

“He’s what’s it all about,” Ibrahim said, beaming at Salim.

Life is good. The rest is just politics.